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TAGS: [PREL](#) [MOPS](#) [MCAP](#) [EWWT](#) [ECON](#) [RP](#)  
SUBJECT: CHARGE VISITS SUBIC DURING US-PHILIPPINES  
NAVY/COAST GUARD EXERCISE

REF: MANILA 2637

¶1. Following up on the Ambassador's visit to Subic June 15-16 (reftel), Charge d'Affaires visited the Subic Bay region August 15-16 to meet local officials, observe Cooperation Afloat Readiness and Training (CARAT) 2006, and participate in a CARAT community relations event. CARAT is a joint U.S.-Philippine Navy and Coast Guard training exercise focused on combating seaborne terrorism threats and transnational crimes. CARAT 2006 included several community relations events, which Embassy believes is a critical element of our overall strategy to maintain and enhance domestic support for U.S. military deployments. On August 16, CDA, CARAT Commander Rear Admiral William Burke, and a dozen U.S. sailors visited a school for deaf and blind children, donating books, sewing machines, and food items. CDA and Admiral Burke underscored the continuing U.S. engagement in the Subic Bay region to members of the local and national media through exercises such as CARAT, in addition to Peace Corps, USAID, and U.S. business activity.

¶2. At an August 15 reception aboard the USNS Hopper, Subic Bay Metropolitan Authority (SBMA) Administrator Armand Arreza highlighted the infrastructural changes coming to the Subic Bay area that he hopes will enhance its economic viability for foreign investment. These include: the Japanese-financed Clark-Subic Expressway, due for completion in 2007, which will also bring new high-tech fiber optic capability; a Chinese firm's USD300 million investment in glass production facilities; and, the Korean firm Hanjin Heavy Industries and Construction's hiring of 1,000 welders for its new and growing shipbuilding facility based in Subic.

¶3. CDA paid a courtesy call on James "Bong" Gordon, Mayor of Olongapo on August 15. Mayor Gordon said the Olongapo community remained strongly supportive of U.S. ship visits and welcomed U.S. sailors, marines, and soldiers on liberty. He welcomed U.S. naval activity in Subic Bay and said he and other local officials were highly conscious of the importance of port security and personal safety for individual U.S. servicemen at work and on liberty.

¶4. Comment: The ongoing CARAT exercise contributes importantly to our overall engagement with the Philippines. The Embassy believes that community relations activities are critical to the overall goals of our military engagement, and would welcome their expansion. We also welcome U.S. Coast Guard participation in exercises such as CARAT because it helps facilitate cooperation with the Philippine Coast Guard, which is a key partner for success in counterterrorism operations and drug trafficking interdiction. Finally, we support planning for CARAT 2007 to take place in the Mindanao region to further focus U.S.-Philippine maritime security efforts in the region terrorist exploit.

